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From: Erik Johnson <erikjohnson61@yahoo.com>
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To: SD Clean Power Plan
Subject: Clean Power Plan

I think an aggressive move to exploit the states' vast wind energy resources is the way to deal with the EPA's Clean Power Plan. In terms of wind generating capacity as a percentage of the available wind resource, South Dakota has less than one tenth the wind generating capacity of other great plains states. Between the PTC extension, WAPA joining the SPP, and tax changes to make investment in SD wind more attractive, we should be able to go from just under 1GW generating capacity to over 10GW over the next decade. This would also bring billions in investment dollars to South Dakota, significantly increasing the tax base and thereby providing additional benefits beyond dealing with the EPA's dictates.

If I understand how this works, these wind farms installed after 2012, would provide more than enough ERC's to keep Big Stone and Deer Creek operating for the rest of their economic lives so they do not become a burden to SD ratepayers due to early retirement of the facilities.

Based on what I know, rate based seems more flexible than mass based, especially if we are going to be able to generate ERC's in-state from expanded wind generating capacity. I like free markets, so I would prefer that the owners of the renewable energy sources keep the credits. However, the government's effort to destroy coal generation has created the conditions in which wind energy can flourish. So perhaps the PUC could require that ERC owners give Big Stone and Deer Creek first right of refusal to purchase the credits they need to maintain their operation. I think that would be in the best interests of all South Dakotans. Excess credits could be sold to whomever needs to buy them, including out of state. And if we have enough wind resource to provide the credits Big Stone and Deer Creek need, then there shouldn't be a need for a "ready to go" market here in South Dakota.

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